

# Other Eligibility Groups



# Family Planning Waiver

- The family planning waiver provides a limited number of services to women who are:
  - Aged 15-44
  - With income at or below 185% FPL
  - Not otherwise eligible for Medicaid or BadgerCare
  - Presumptive eligibility is used.
- The majority of services covered by the Family Planning Waiver are reimbursed at a 90% federal match rate.

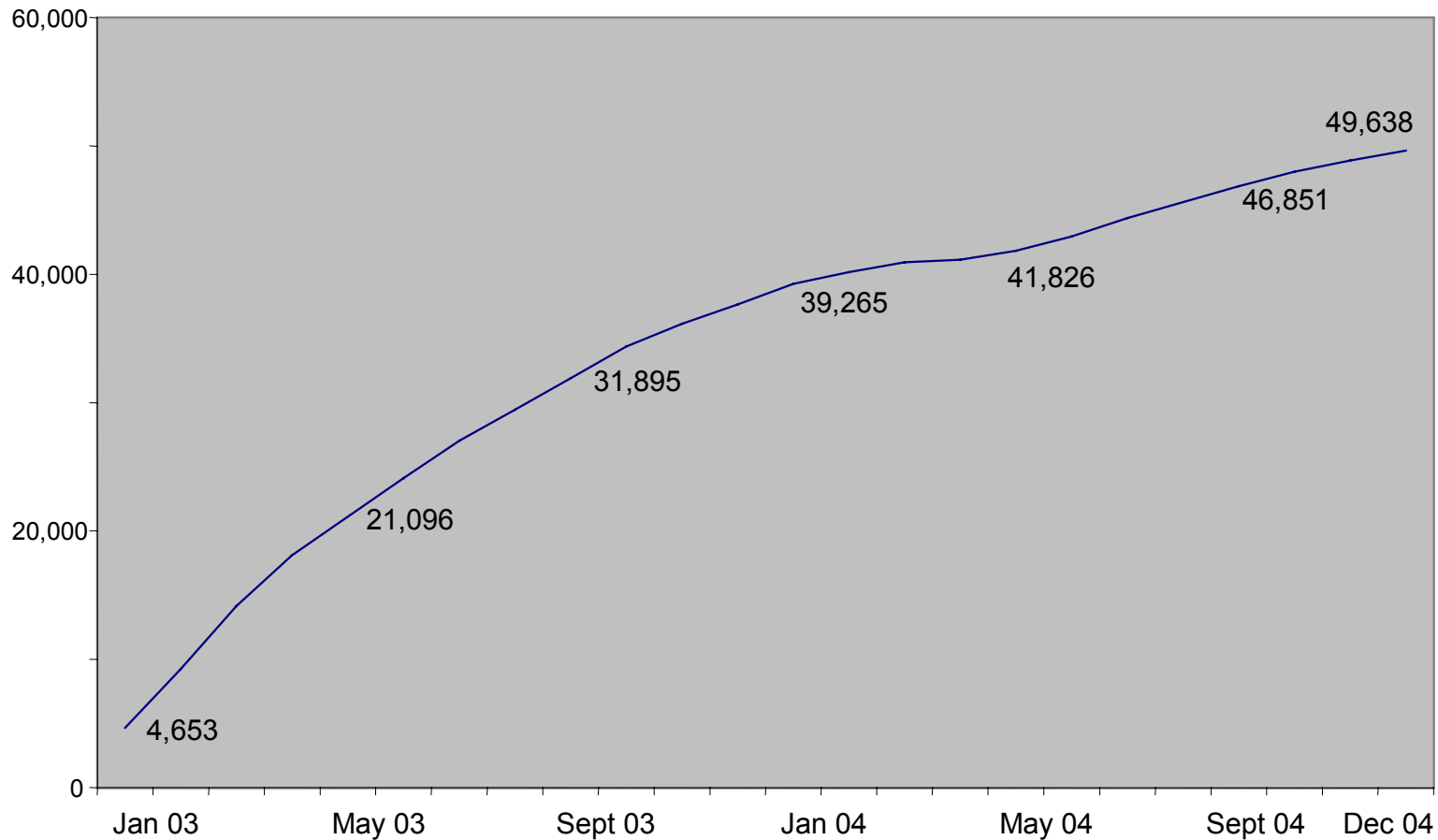


# Family Planning Waiver

- The benefits funded under the waiver are limited to office visits, some laboratory services, sterilization, contraceptive devices and pharmaceutical supplies, transportation, minor gynecologic procedures and treatment of sexually transmitted diseases.
- These services are covered only when provided as part of or consequential to services related to the number and spacing of children.
- The waiver is required to meet a budget neutrality test. Providing the services under the waiver must result in a lower net Medicaid costs due to births averted.



## Monthly Family Planning Waiver Enrollment CY 2003 - 2004



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# Well Woman Medicaid Program

- Women diagnosed with breast or cervical cancer are eligible for full Medicaid coverage only if:
  - The condition was diagnosed during a screening under the breast and cervical cancers preventive health grant early detection program or the Family Planning Waiver (since July 2004),
  - Treatment is required for breast or cervical cancer or precancerous conditions of the breast or cervix, and
  - They are not eligible for creditable health care coverage, as defined by federal law.

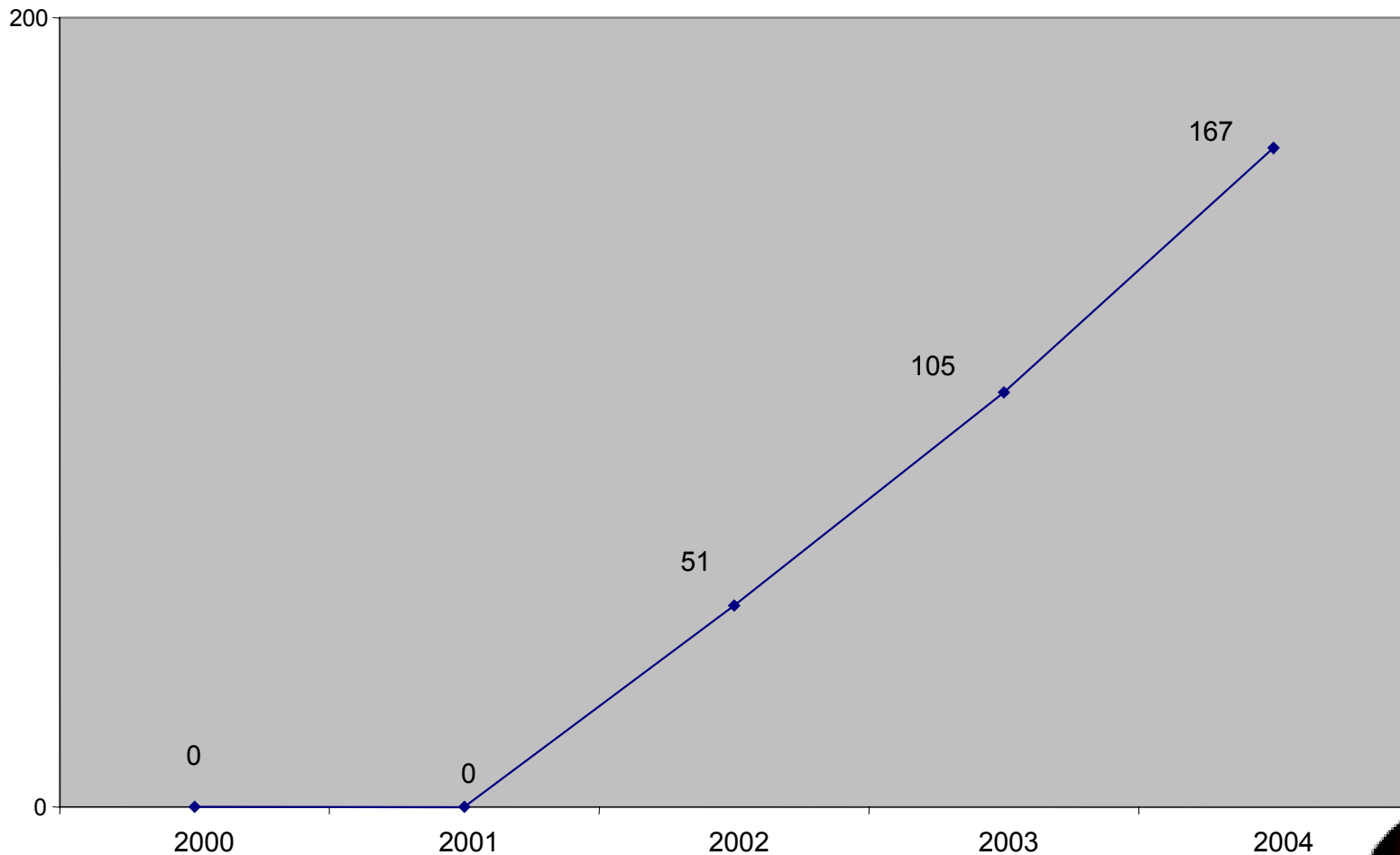


# Well Woman Medicaid Program

- The breast and cervical cancers preventive health grant early detection program screenings are limited to women:
  - Ages 35 through 65
  - With household income at or below 250% FPL
- There are no additional income or age limits to qualify for Medicaid coverage under the Well Woman Program.



## Average Monthly Well Woman Medicaid Eligibles SFY 2000 - 2004



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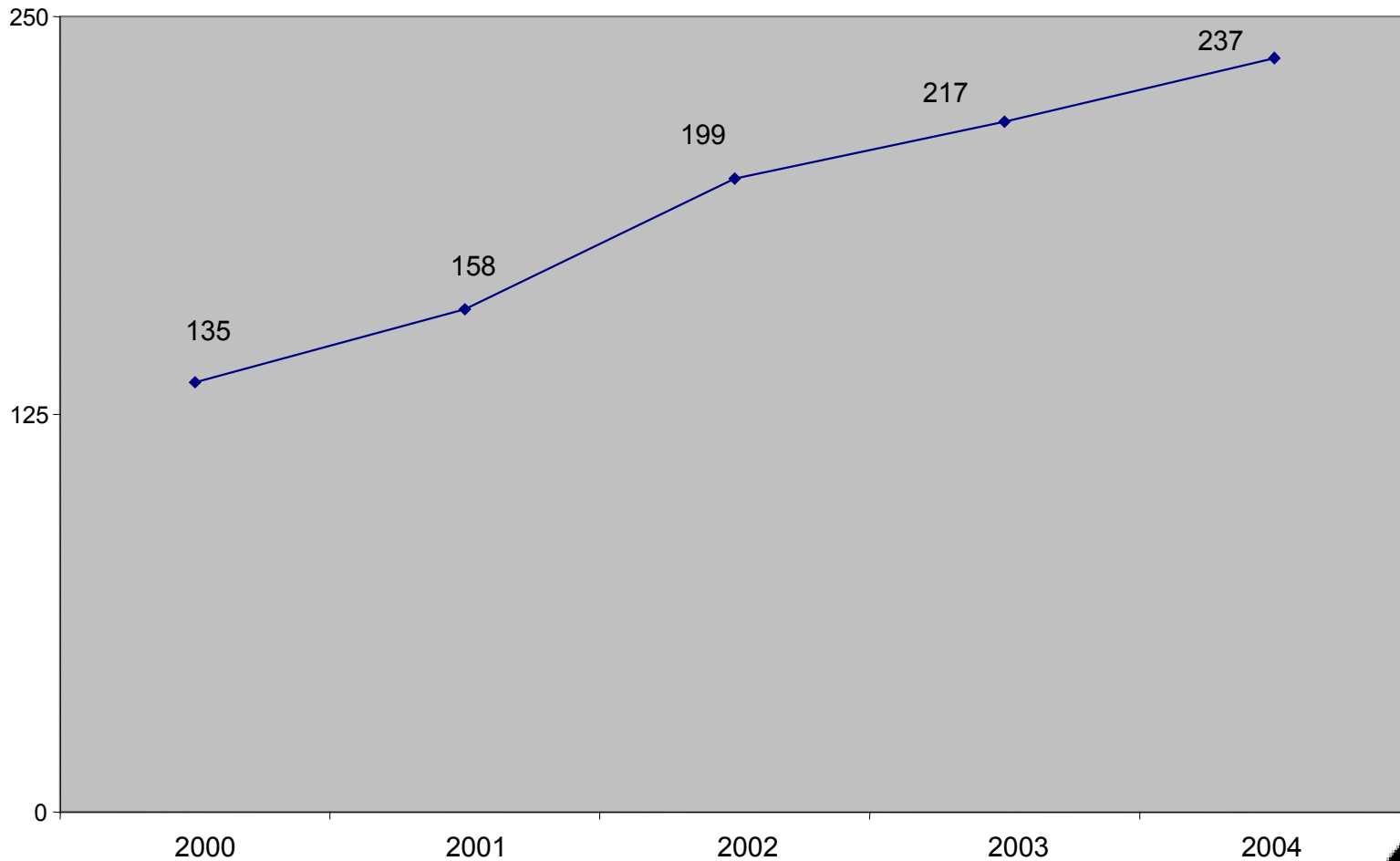
# Tuberculosis-Related Eligibility

- People diagnosed with tuberculosis who meet the income and financial resource criteria for SSI are eligible for some Medicaid-covered services.
- Medicaid coverage is limited to:
  - Prescription drugs
  - Physician and clinic services
  - Laboratory and x-ray services
  - Case management
  - Services designed to encourage recipients to take their medications.





## Average Monthly Tuberculosis-Related Eligibles SFY 2000 - 2004



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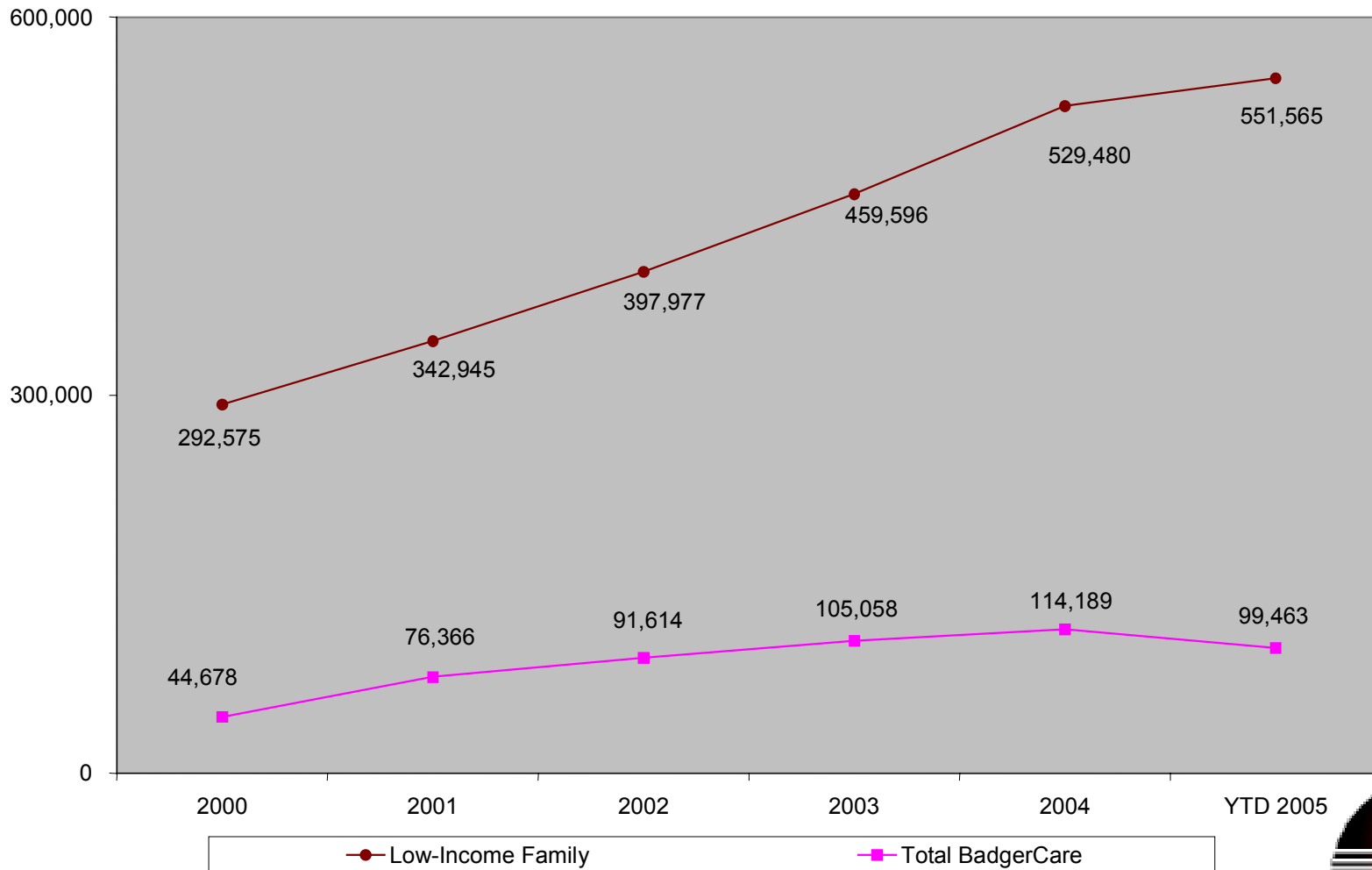


# BadgerCare

- BadgerCare provides health insurance to low-income families with children that do not have access to affordable health coverage.
- Low-income families who do not meet Medicaid eligibility requirements can qualify for BadgerCare if family income, after certain deductions, is at or below 185% FPL.
- In order to remain eligible, family income must remain under 200% FPL.
- Families are not eligible if they currently have, or have had, insurance in the past 3 months or have had access to a group plan in which the employer pays at least 80% of the monthly premium.



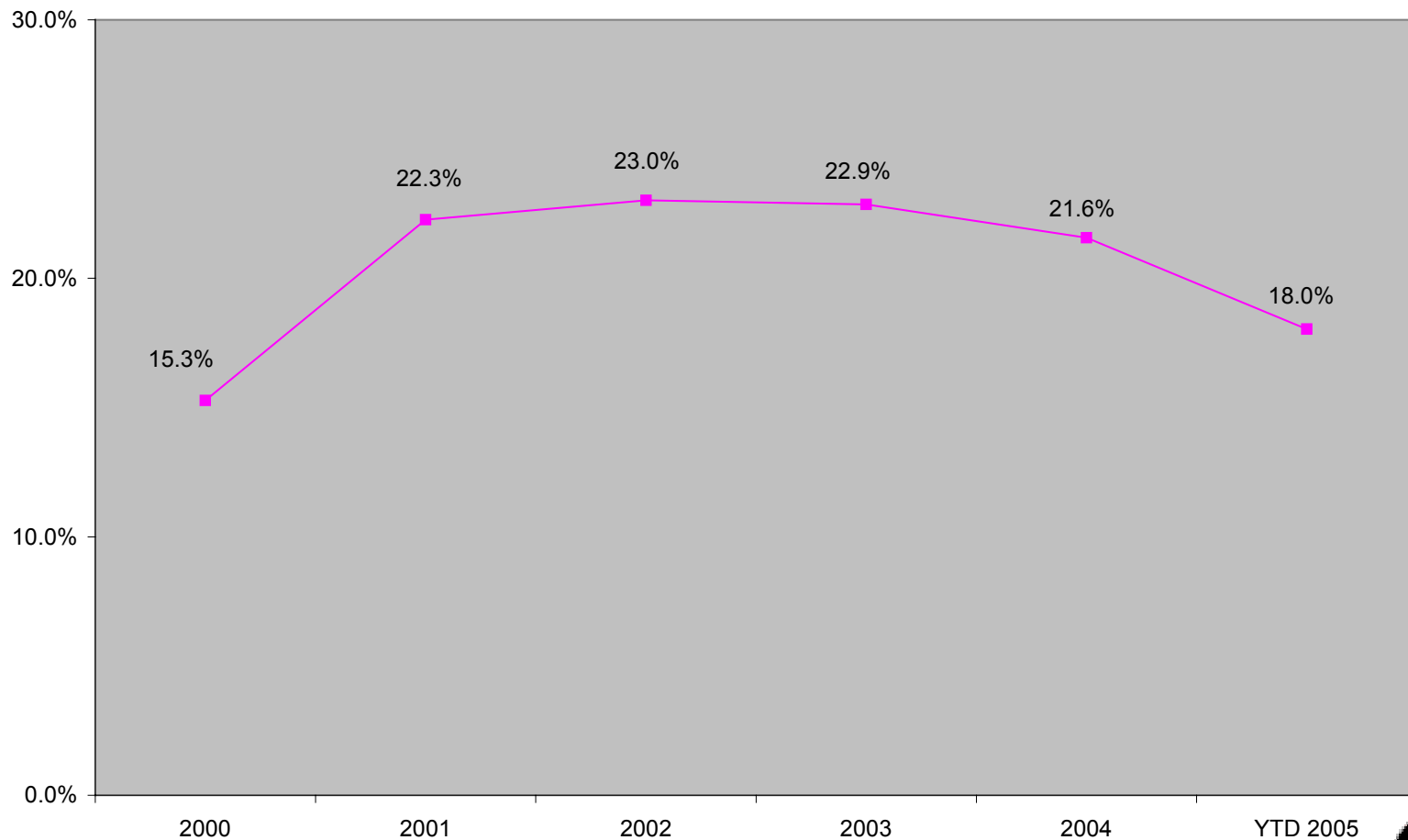
## Average Monthly BadgerCare Eligibles SFY 2000 - YTD 2005



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## Average Monthly BadgerCare Eligibles as a Percentage of Total Low Income Family - SFY 2000 - YTD 2005



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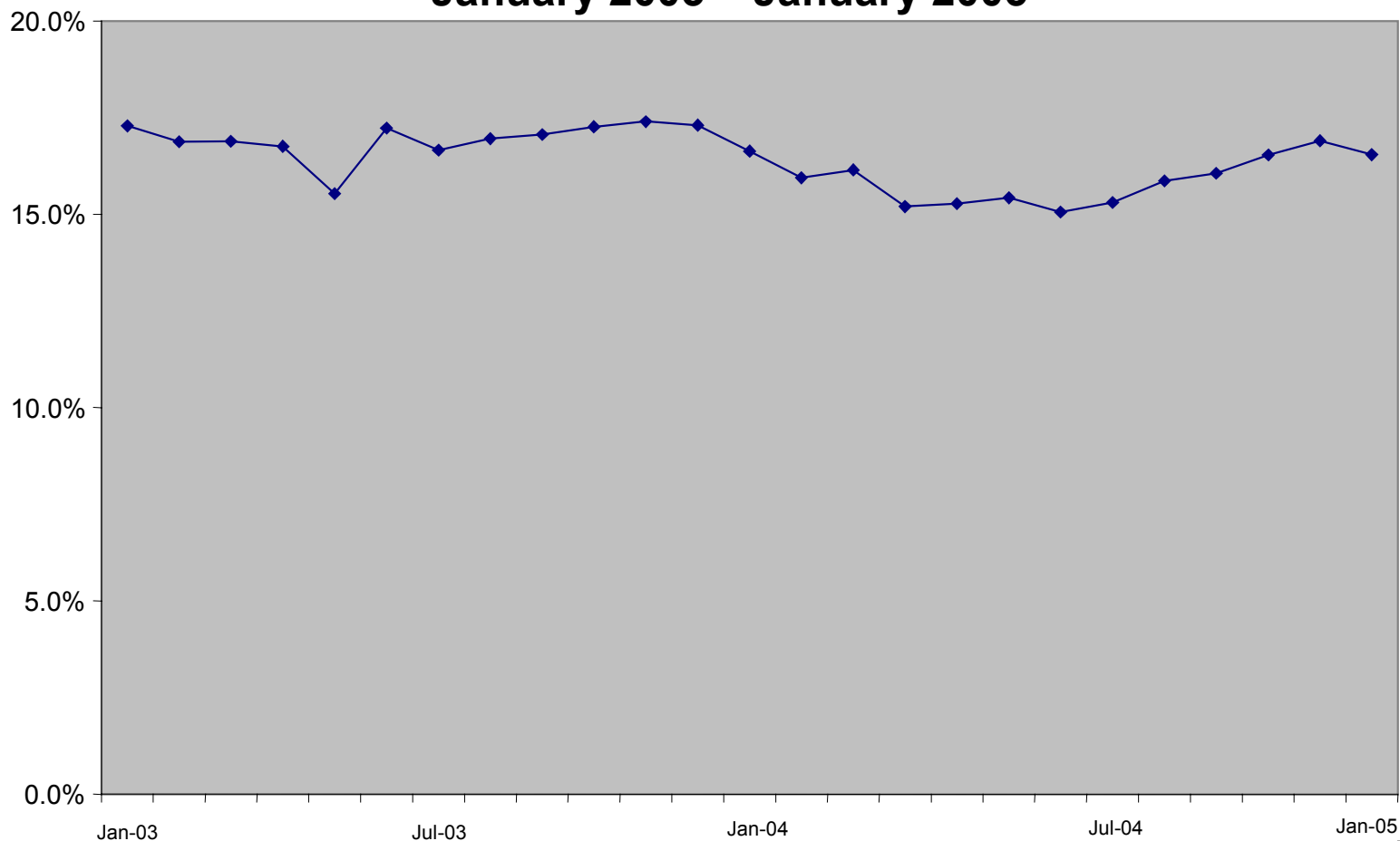


# BadgerCare

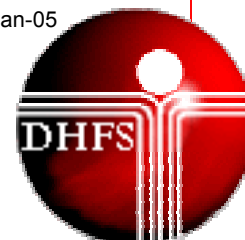
- Families with income at or above 150% FPL pay premiums equal to 5% of their income, after certain deductions.
- This premium was increased from 3% to 5% on January 1, 2004 as required by the biennial budget bill.
- In January 2005, 15,191 BadgerCare recipients were paying a premium, which is 16.5% of total BadgerCare enrollment.



## Percent of BadgerCare Recipients Paying Premiums January 2003 – January 2005



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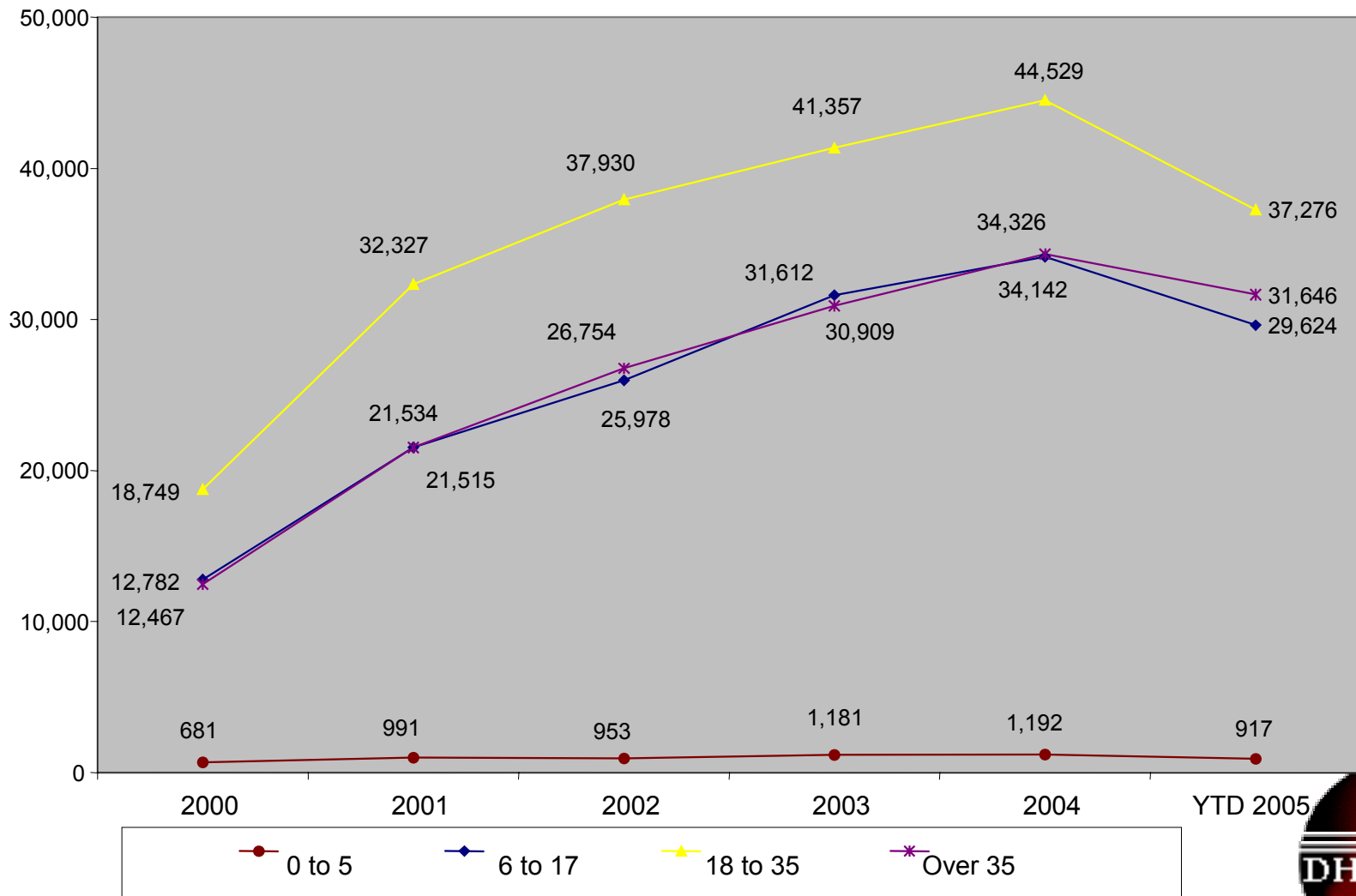


# BadgerCare

- BadgerCare has greatly increased the enrollment of children in Medicaid. Since the implementation of BadgerCare in July 1999, 106,970 children have enrolled in Medicaid/Healthy Start.
- Combined, BadgerCare and Medicaid provide health care coverage to virtually all low-income children in the state, allowing Wisconsin to be a leader in health care coverage for children.
- Many BadgerCare families are mixed - younger children are covered by Medicaid and older siblings and parents are enrolled in BadgerCare.



## Average Monthly Badger Eligibles by Age SFY 2000 - YTD 2005



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# BadgerCare

- BadgerCare recipients receive benefits identical to those available under the Medicaid program.
- Approximately 66% of BadgerCare recipients are currently enrolled in an HMO.
- 39% of current BadgerCare enrollees have been in Medicaid at some point during the past four years.
  - 60% of of the current BadgerCare enrollees in Milwaukee County were formerly on Medicaid.
  - 32% of the current BadgerCare enrollees in all counties except Milwaukee were formerly on Medicaid.

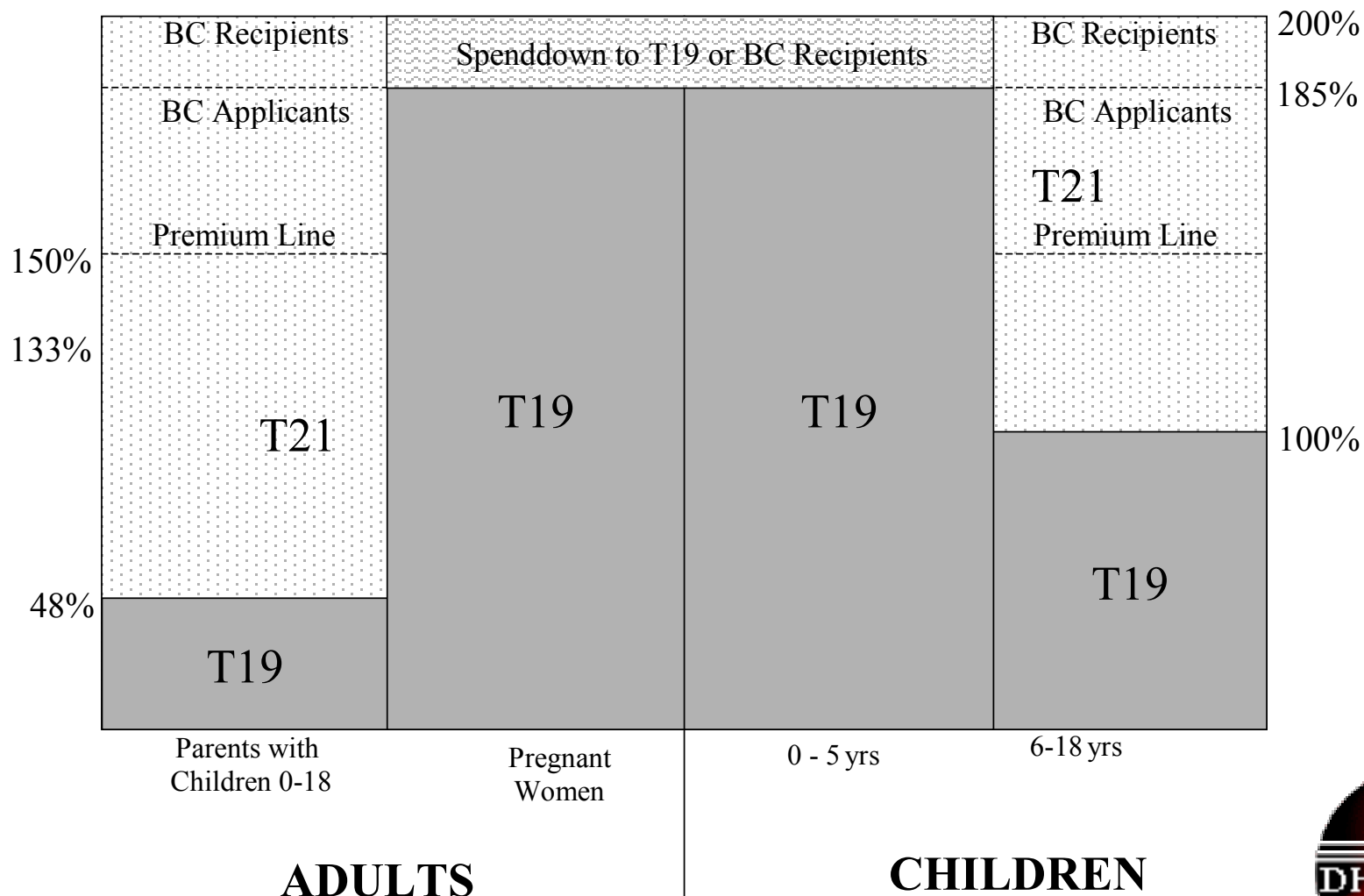


# BadgerCare Funding

- All BadgerCare children are funded under the State Children's Health Insurance Program (SCHIP), also known as Title XXI, which has an enhanced federal matching percentage of 71%.
- Parents with income above 100% FPL are also funded at the SCHIP enhanced federal rate. Wisconsin is only one of four states where adults are covered at the enhanced SCHIP rate.
- Parents with income at or below 100% FPL are funded under Title XIX at the regular federal match of 58%.



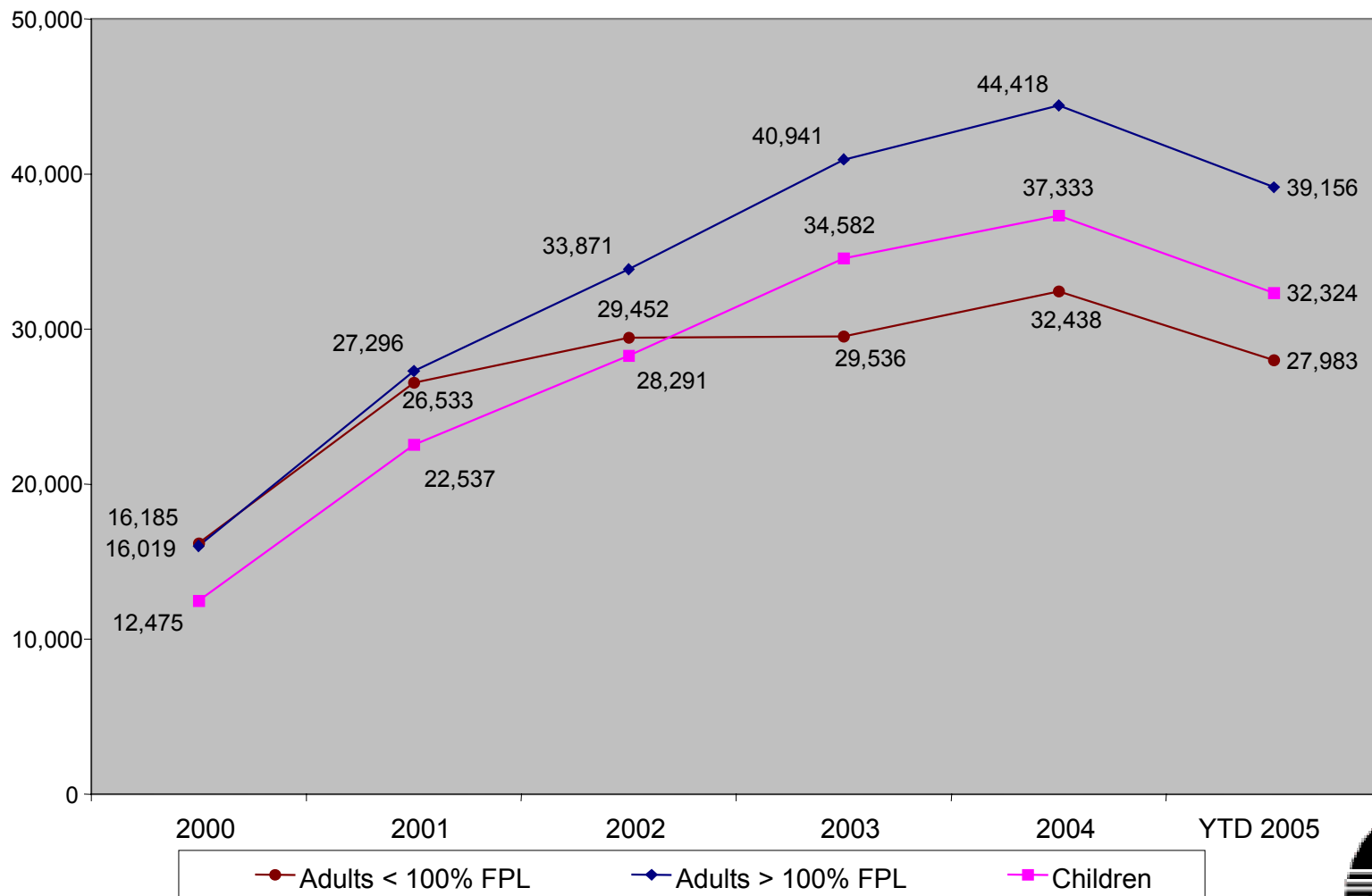
# T19 vs. T21 Funding of BadgerCare



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## Average Monthly BadgerCare Eligibles SFY 2000 - YTD 2005

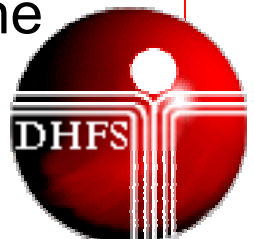


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# BadgerCare Funding

- BadgerCare funding is limited to the appropriated amounts. If costs are projected to exceed the budget, the state may implement an enrollment trigger to reduce the income level at which new families enroll in the program, subject to approval by the Joint Committee on Finance.
- The enrollment trigger under Title XXI may be used to increase or decrease the income level for initial eligibility.
- Use of the trigger under Title XXI reverts the funding to the original Title XIX waiver provisions, resulting in the loss of the higher match rate for parents. This exacerbates the funding problem.



# BadgerCare Waiver Requirements

- The BadgerCare program must meet budget neutrality targets.
- Annual growth of per member per month costs may not exceed 7.7% for state fiscal years 2005, 2006 and 2007.
- Wisconsin will have to repay CMS an estimated \$9 million for expenditures in excess of the target for SFY 2000-2002.
- The BadgerCare federal waiver expires March 31, 2007.
- The maintenance of effort requirement in the waiver does not allow the state to reduce the eligibility for children below 200% FPL without losing the enhanced FFP for adults.



# BadgerCare Waiver Savings

- In the last five years, Medicaid has saved \$52.3 million GPR because of the enhanced federal match rate on BadgerCare children and adults over 100% FPL.
- During the same time period, Wisconsin Medicaid has received \$159.3 million in redistributed SCHIP federal funds not used by other states.



# Employment of BadgerCare Recipients

- Of 93,030 eligible BadgerCare recipients, 86,517 were in families with at least one income-earning adult member, equaling 93% of total BadgerCare recipients.
- For the same period, 17.5% of AFDC and AFDC-related recipients were in families with at least one income-earning adult member.
- 82.6% of Healthy Start recipients were in families with at least one income-earning adult member.



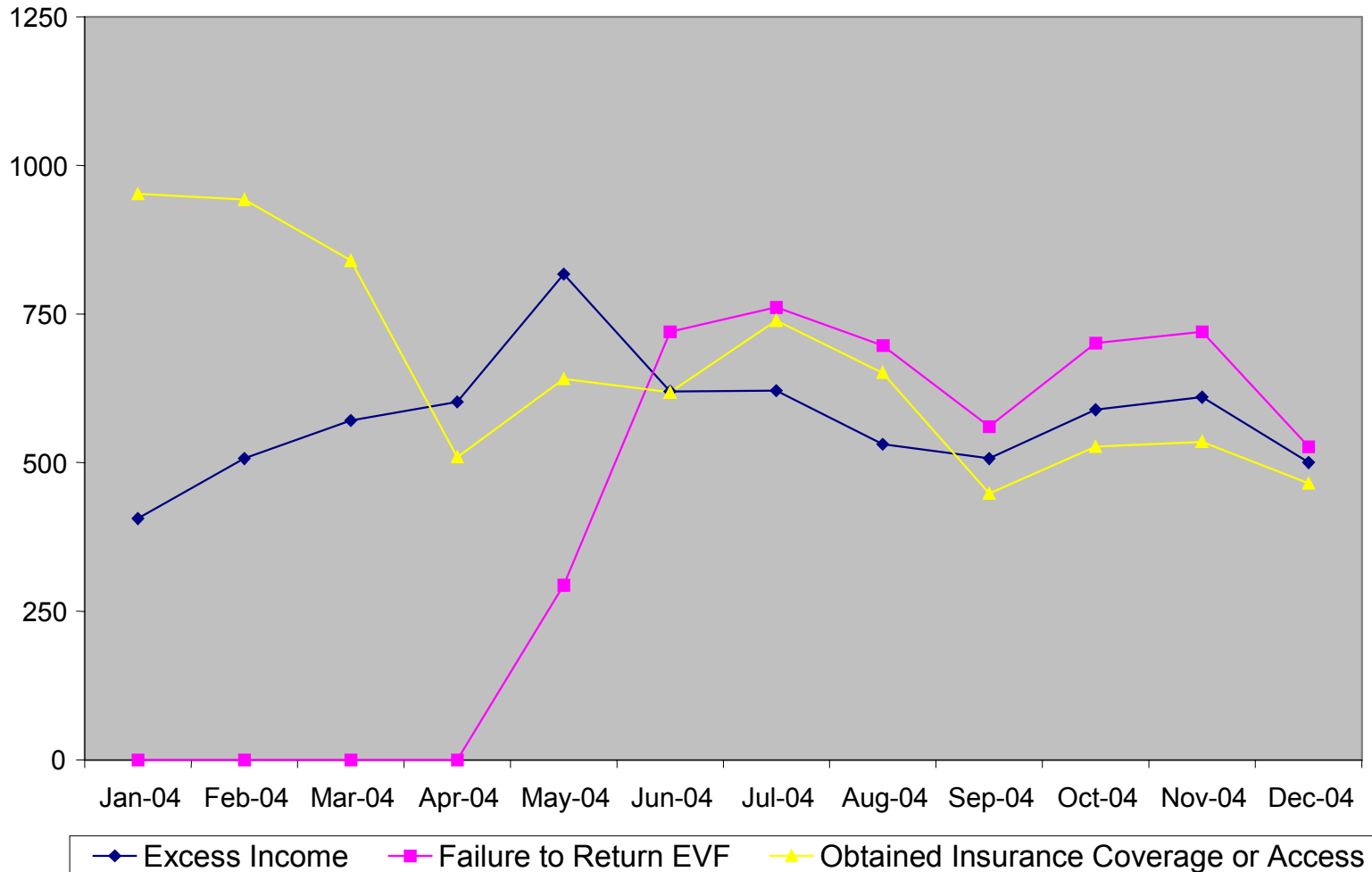


# BadgerCare Employment Verification

- In May 2004, DHFS was required to verify earnings and health insurance access/coverage with employers for each employed BadgerCare applicant at each application for and redetermination of eligibility.
- Following the implementation of employment verification, monthly BadgerCare enrollment has decreased from 112,632 in May 2004 to 91,846 in January 2005.



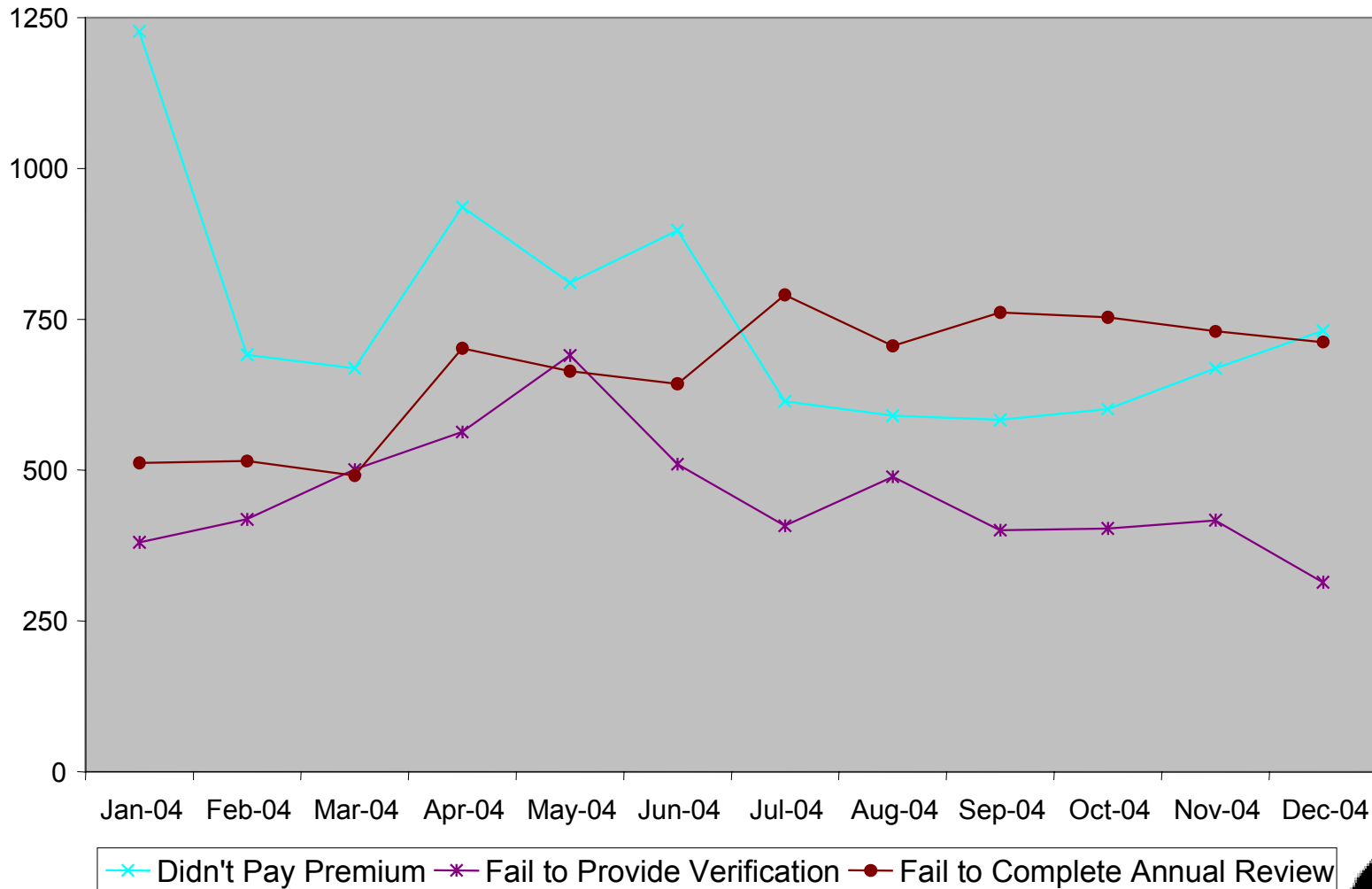
## BadgerCare Recipient Terminations



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## BadgerCare Recipient Terminations



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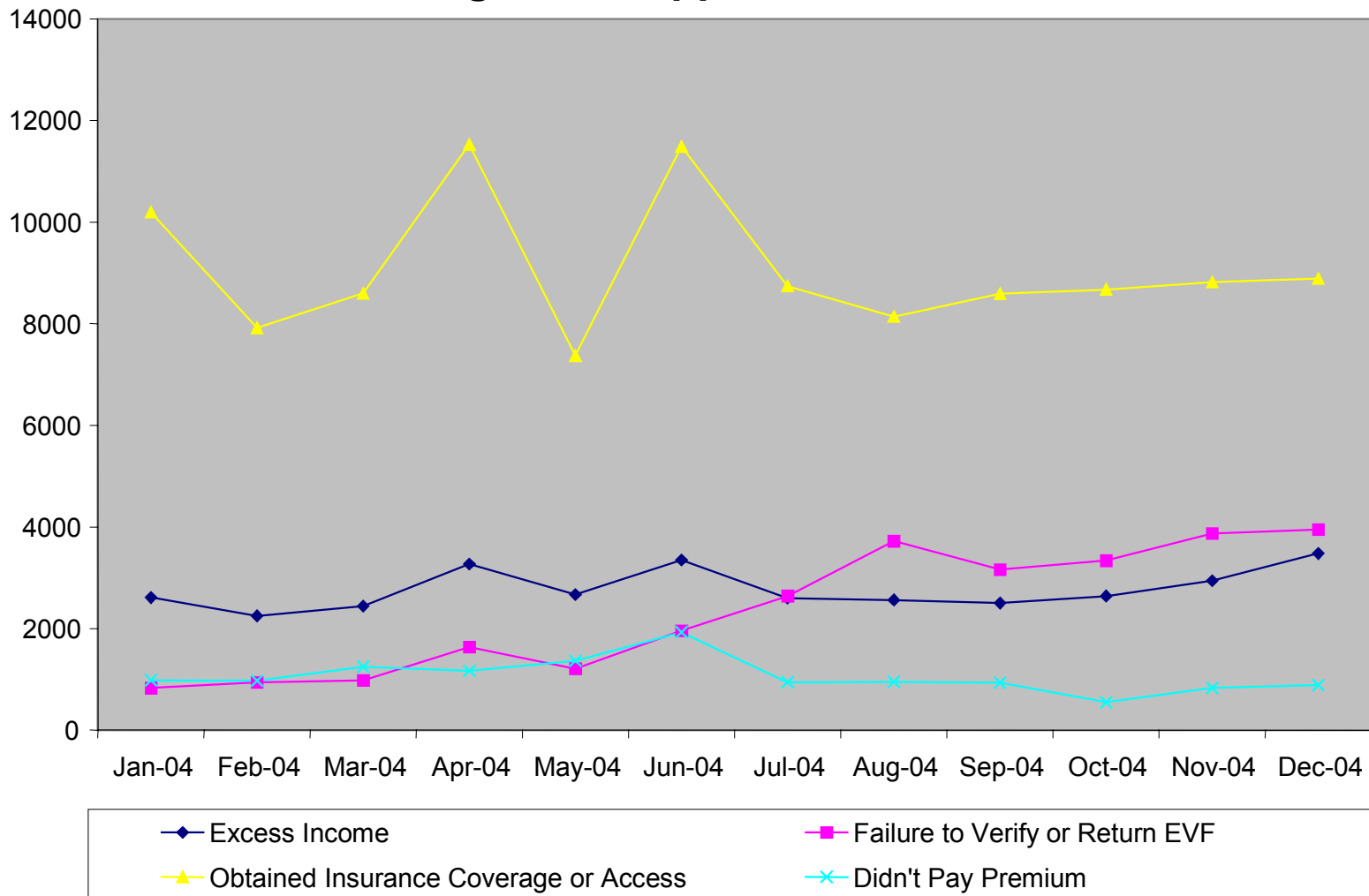
# BadgerCare Employment Verification

## Recipient Terminations

- Many applicants fail to return the EVF at a review, after reporting a new job or when moving from other Medicaid programs into BadgerCare.
- There has been no significant increase in the number of individuals terminated due to excess income.
- There has been no increase in the number of individuals found terminated to access to or coverage by employer health insurance.



## BadgerCare Application Denials



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# BadgerCare Employment Verification

## Application Denials

- Many applicants fail to complete the initial application process because they do not return the employment verification form (EVF).
- There has been a slight increase in the number of individuals denied due to excess income.
- There has been no increase in the number of individuals denied due to access to or coverage by employer health insurance.



# BadgerCare Employment Verification

- Employers are more responsible for not returning the EVFs on time than are clients.
- A significant factor in EVFs not being returned appears to be clients not understanding the form or the process.
- The following are not believed to be associated with failure to comply with EVF requirements:
  - Not receiving the form timely
  - Lack of U.S. citizenship
  - Access to other insurance
  - Excess income



# BadgerCare Employment Verification

- There are about 120,000 employment verification forms requested from BadgerCare recipients annually.
- Having unearned income or multiple workers may be related to the failure to comply with EVF requirements.
- Working for an employer with a home office outside of Wisconsin may be related to the failure to comply with EVF requirements.
- Self-identified African-American and Hispanic individuals were more likely to be determined ineligible for failure to comply with EVF requirements.
- Employers are confused about how to fill out the form and what impact this has on continued eligibility.





# BadgerCare Employment Verification

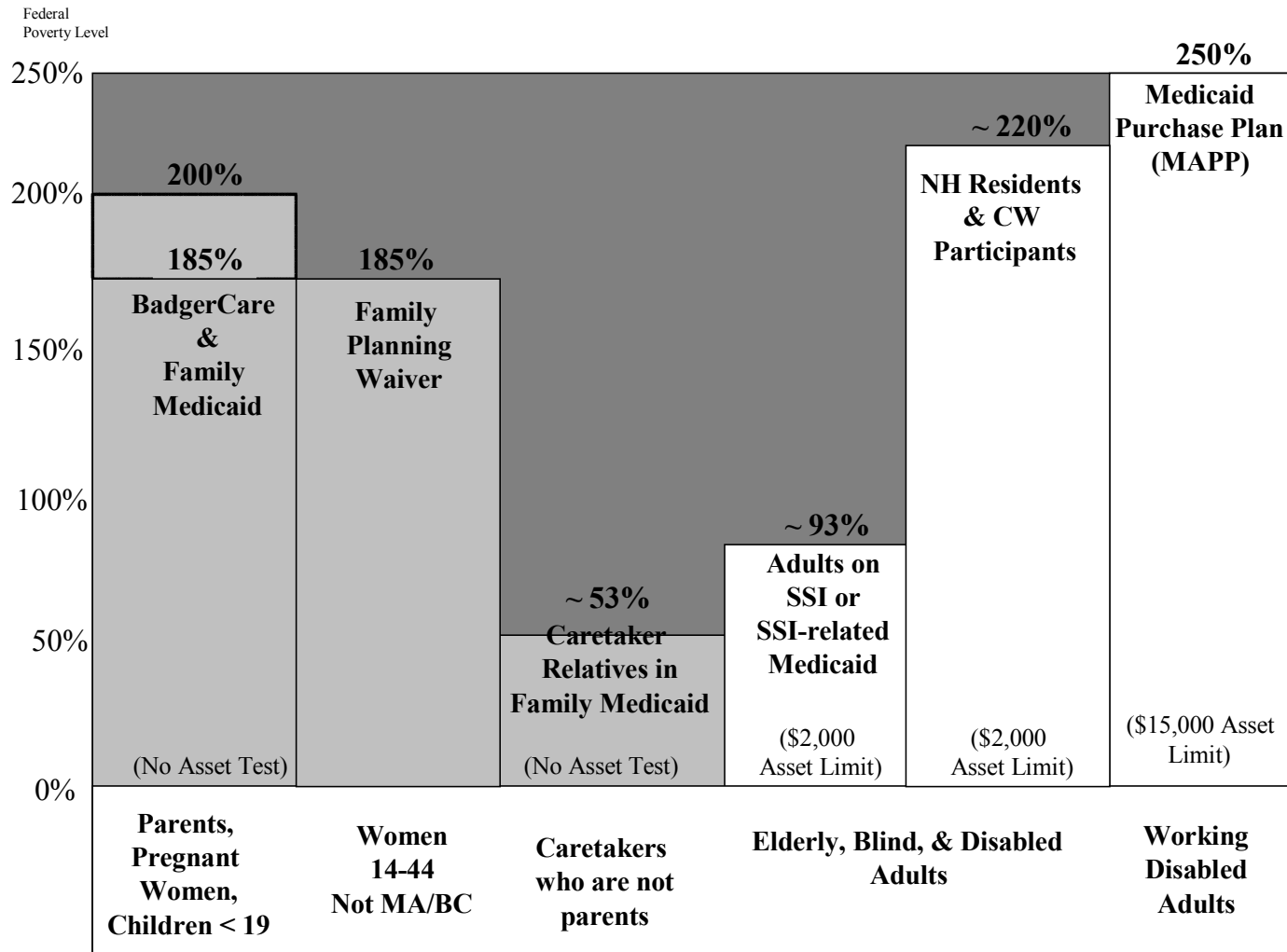
- Following a telephone survey of 30 individuals (15 terminated cases and 15 application denials), it was discovered that:
  - 33% of survey participants learned that they were ineligible for BadgerCare in the telephone interview.
  - Of participants who knew they were not eligible, 43% did not understand why.
  - All of the participants who subsequently reapplied were determined to be eligible for BadgerCare.

# Measuring the Economic Impact of BadgerCare

- Minnesota examined the impact of MinnesotaCare enrollment (publicly subsidized health insurance) on uncompensated hospital care (charity and bad debt).
- During the period that coverage was expanded under MinnesotaCare, the study found uncompensated expenditures decreased 21% and it is estimated that MinnesotaCare lead to \$58.6 million in hospital savings of uncompensated care costs.
- The State planning grant program at DHFS will conduct a similar analysis to examine the fiscal impact of BadgerCare on Wisconsin hospitals' uncompensated care costs.



# Medicaid Eligibility



August 1997

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# Eligibility Management

## Administrative Simplification

- In the late 1990's, the Medicaid caseload across the country had decreased dramatically. At least part of this decrease was due to misunderstandings of Medicaid eligibility qualifications that came from a strong welfare reform message and confusing federal changes to AFDC and Medicaid.
- The federal government and advocates began encouraging states to adopt simpler, friendlier administrative processes.
- In Wisconsin, several simplifications were required by CMS as a condition of approval of the BadgerCare waiver.



# Eligibility Management

## Administrative Simplification

### Wisconsin Medicaid:

- Changed its policy to allow family Medicaid eligibility to be reviewed every 12 months, rather than every 6 months.
- Allowed clients to choose to apply for Medicaid in person at the income maintenance office or by mail.
- Allowed clients to complete reviews with a mail-in form.
- Shortened and simplified the family Medicaid/BadgerCare and Medicaid for the Elderly, Blind and Disabled application forms.
- Changed verification processing to rely on automated data exchanges instead of client documentation.



# Eligibility Management

## Administrative Simplification

State law was changed to:

- Eliminate the asset test for AFDC and AFDC-related Medicaid through a change in state law. Neither BadgerCare nor Healthy Start had an asset test.
- Simplify the AFDC Medicaid eligibility requirements for unemployed and underemployed parents, since they could qualify for BadgerCare regardless of their employment status.



# Eligibility Management

## Legislative Audit Bureau (LAB) Evaluation

- In 2004, LAB was asked to evaluate the accuracy of Medicaid and BadgerCare eligibility determinations by the Joint Committee on Audit. Their report included a number of findings and recommendations
- LAB found no evidence of recipient fraud.
- DHFS needs to work with local agencies to ensure better and more consistent understanding of policies regarding the verification of questionable information.
- DHFS is reviewing its current verification policies and processes. When the review is complete, training will be provided to the local income maintenance staff.



# Eligibility Management

## Legislative Audit Bureau (LAB) Evaluation

- DHFS should make several changes to the automated Medicaid/BadgerCare eligibility system, CARES, to ensure accurate determinations.
- The recommended changes have been made.
- Several statutory changes are needed to make the fraud prevention and overpayment recovery policies more effective.
- These changes are included in the Governor's 2005-2007 biennial budget.





# Eligibility Management

## Legislative Audit Bureau (LAB) Evaluation

- In a sample of 200 cases, LAB found that worker error affected 6.5% of the cases reviewed. DHFS should revise the application form to make it easier for applicants to understand, leading to an increase in the accuracy of the information provided by applicants and easing workloads of local income maintenance staff.
- These revisions have been made.



# Eligibility Management

## Legislative Audit Bureau (LAB) Evaluation

- Medicaid is committed to improving and maintaining program integrity for public assistance programs. In the Governor's 2005-2007 budget, there are specific proposals for ensuring Medicaid eligibility quality.
  - Implement state quality control reviews to meet federal requirements effective 10/1/2005.
  - Provide resources to local income maintenance agencies to conduct 2nd party reviews to identify and correct worker errors and applications.
  - Conduct IRS database matches to target data exchanges that will identify unreported income and assets.



# Eligibility Management

## Legislative Audit Bureau (LAB) Evaluation

- Policy modifications allowing income maintenance workers to request verification of income from applicants when 3rd party data is not available.
- Statutory changes to allow DHFS to require 3rd parties (i.e., banks, employers) to provide information at the request of income maintenance workers.
- Statutory changes to restore DHFS's ability to recover Medicaid overpayments using tax intercept.
- Statutory changes to allow DHFS to recover overpayments resulting from a failure to report changes in non-financial eligibility criteria (i.e., household composition, insurance coverage) outside of the application and review process.



# Bridge to Economic Self-Sufficiency

- Family Medicaid coverage is designed to be a health care program, not welfare.
- By not requiring an asset test for eligibility, Medicaid allows low-income families to accumulate assets, helping them improve their employment opportunities and avoid complete impoverishment.
- Medicaid and BadgerCare help parents and their children stay healthy. Parents miss less work, contributing to stable employment.
- Providing continuing Medicaid coverage through 12-month extensions and BadgerCare encourages employment among low-income parents.

